

f ~~Forest Service~~
Forest Service
(USDA)

Memorandum

The State of Texas
Office of State - Federal Relations

Date: October 28, 1982

600 Maryland Avenue, S.W., • Suite 255
Washington, D.C. 20024
202/488-3927



To: Jim Cicconi

From: Ken Jordan *KJ*
Agriculture Coordinator

William P. Clements, Jr.
Governor

Re: The Forest Service's Definition of Rangeland and their
Agreement of Coordination with the Soil Conservation
Service

Daniel N. Matheson, III
Director

Enclosed is some additional background information in regard to the issue Governor Clements referred to in his October 21st letter to Secretary Block. As you note, it is not just a Texas issue, it is a national issue. In the information enclosed, it appears that Secretary Watt has responded fully to the cattlemen and rangeland interest, but the people under Secretary Block have not.

Within the past week we have been working continuously with the Forest Service in the Department of Agriculture in trying to resolve the issue at hand. On Tuesday of this week, we received a response from the Secretary to the Governor's letter. Enclosed is a copy of the response and what concerns us most is that in the last sentence of the first and second paragraph the words most and almost were used, enabling the Forest Service to once again slide by without a clarification of what they will and will not accept. This cycle has been going on for several years now.

As I stated above, we have been working very intensively with the Forest Service this week, but have made very little progress in the last few days in resolving the issue. Dr. Jarvis Miller in the Governor's office in Austin asked that I provide you with this information so that you will be informed if they should need to get the White House involved in this issue.

Call → Done
Crowell (Handley)

Forest Serv.
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OFFICE OF THE GOVERNOR

STATE CAPITOL

AUSTIN, TEXAS 78711

October 28, 1982

WILLIAM F. CLEMENTS, JR.
GOVERNOR

The Honorable John R. Block
Secretary of Agriculture
U. S. Department of Agriculture
Washington, D. C. 20205

Dear Mr. Secretary:

Thank you for your prompt response to my concern about the issue of range land and forest land. I must admit a deep concern, though, because your letter appears to represent a retreat from commitments made by telephone by members of your staff to Jarvis Miller of my staff. Both Assistant Secretary Crowell and Deputy Assistant Secretary MacCleery indicated that there were only minor differences. Secretary Crowell told Dr. Miller that the Department was prepared to accept the proposed draft of the Secretary's memorandum on range land dated September 8, 1982. Mr. MacCleery on October 22, 1982 repeated that assurance and indicated that the only problem with the proposed Agreement for Coordination of Technical Assistance Programs and Inventory Activities was with Item IV.B.3, the terminology "all other resource inventory" which he considered to be too broad. I am told that on Monday, October 25, 1982 Mr. MacCleery came back with four proposed changes, three of which were newly introduced. The three newly introduced changes are not acceptable. We would be agreeable to the following language for Item IV.B.3: "3. FS will be responsible for timber resource inventory on nonfederal forest land. SCS will be responsible for all other resource inventory on nonfederal cropland, range land and other land used for forage production." This would be consistent with the commitments made by Secretary Crowell and Mr. MacCleery to Dr. Miller.

Jack, I hope that you can approve both the proposed Draft Secretary's Memorandum on Range of September 8, 1982 and this document as amended in order that we might resolve in an expeditious manner an issue which has been bothering all of us for several years. You have in this case a major opportunity to demonstrate effective leadership to a large segment of our agricultural industry.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bill Clements".

William F. Clements, Jr.
Governor of Texas



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

26 OCT 1982

Honorable William P. Clements, Jr.
The Governor
State of Texas
State Capitol
Austin, Texas 78711

Dear Governor Clements:

Recently you brought to my attention the considerable interest of cattlemen in Texas concerning a revised Statement of Policy with respect to rangeland which I had initiated for the Department of Agriculture. The interest of the cattlemen was directed particularly at including a definition of rangeland which was offered by the National Cattlemen's Association.

I am pleased to advise you that, as a result of your personal interest in this matter, I have concluded that my rangeland policy statement will be enhanced by including the definition supplied by the cattlemen. I also will adopt most of the other suggestions by the cattlemen for improving the policy statement.

You have also advised me of the concern of your cattlemen constituents about the need for a workable definition establishing a distinction between rangeland on the one hand and forest land on the other. Again, the National Cattlemen's Association has provided to the Department a proposal for effecting that distinction in the context of a proposed revision to an interagency agreement between the Soil Conservation Service and the Forest Service dealing with their respective responsibilities under the Soil and Water Resources Conservation Act of 1977 and the Forest and Rangeland Renewable Resources Planning Act of 1974. I see no reason why the cattlemen's proposal cannot be almost entirely incorporated into the revised interagency agreement.

I can assure you and your constituents that I am committed to achieving workable definitions of "rangeland" and "forest land" for carrying out the statutorily assigned missions of the Department without duplication of efforts by departmental agencies. The agencies of the Department will work closely with the National Cattlemen's Association to achieve our mutual objectives.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Block", written over a horizontal line.

John R. Block
Secretary

Excerpts of Remarks By Secretary Watt
To The National Public Lands Council
Reno, Nevada, September 21, 1982

Man, there is a lot of great country out here.

I keep reading in the liberal press about how Jim Watt is destroying the environment, but I checked personally and found that the rivers are still flowing, the wildlife is abundant, the sun is still shining, the Rockies are still standing.

I also have been reading about how Jim Watt is giving away the public lands and how the wide open spaces are disappearing. I keep searching for evidence that this is happening, but I can't find it.

Earlier this month I was up in Alaska and I flew over tens of millions of acres still ruled by grizzlies and caribou. One of our national parks up there -- some 12 million acres -- recorded a total of 226 visitors last year.

Last weekend I was in central Wyoming, and yesterday I was up in Elko with Nevada's great Governor, Bob List.

So I have seen some magnificent country this past month and especially this past week.

You may know that I grew up in Wyoming and spent many a day working on the family's homestead. Hauling hay and water to the cattle in times of drought. Dragging cattle out of snowdrifts and mudholes at other times.

Not that I had to face anywhere near the day-to-day trials and tribulations that my family had in settling the land.

But I had enough of a sampling of that life to appreciate the land and the necessity for us to care for that land so that it can continue to provide for us. Farmers and ranchers have to be the ultimate in conservationists. You can't exploit the resources of the land and then move on in this era. You have to care for the land today or you won't be in business tomorrow. So those of us whose families have owned and worked the same land, or leased the same land, for generation after generation are the practical, proven and successful conservationists.

Farmers and ranchers know that you have to manage resources to protect them.

Some of the Johnnies-come-lately to the environmental ethic confuse preservation with conservation. They think that the only way to protect the environment is to lock away the land so that it cannot be used -- except by those with the time, money and good health to trample the wilderness in expensive hiking boots.

Some land should be locked away and protected from extensive public use, but those of us who have lived on the land and lived with the land know that most of the public land of America can be and must be multiple use.

We believe in management -- in sound management which promotes wise economic use of resources, which requires fair allocation of the resources, and above all, which protects the land and the environment.

Today I want to talk about our land management philosophy and several of our programs.

First, the President's asset management initiative.

Your program yesterday focused on this initiative. I want to emphasize some points and make sure we have cleared up some misunderstandings.

It is an asset management program.

It is not a privatization program.

We are not talking about any massive transfer of the public lands from the Federal Government to the private sector.

At various times in our history, the Federal Government has held title to about four-fifths of the Nation's gross area. Up to 1980, about 1.1 billion acres had been transferred to individual citizens, business, and non-Federal Government organizations -- including 287 million acres which were homesteaded and 328 million acres granted to States.

Our new program is extremely small potatoes in comparison. It will not make a real dent in the one-third of the Nation still owned by the Federal Government. It certainly will not make much of a dent here in Nevada where the Feds control 60 million acres -- 87% of the land in the State.

Our goals are to improve management of the land and real property of the United States Government by:

1. Making thorough inventories of what we have so we know what it is we are supposed to manage.

2. Getting rid of that property which does not serve legitimate public purposes and that which is overly expensive to manage.

3. Using the revenue from the sale of these excess properties to help pay a portion of the national debt.

4. Through this process, to sell inefficiently managed Federal lands to States, or other government agencies, or to private parties, where that will result in higher and better use of the land.

You've all heard the examples of unneeded expensive properties which the Federal Government holds, which would be better utilized in private ownership. Let me point out some other examples of situations we need to correct.

-- In beginning the inventory ordered by the President, the BLM has discovered that we apparently own 8,000 or so acres in the State of Oklahoma rather than the 6,000 acres we used to think we had. One of the parcels of land we own in the Panhandle area is 2 and one-half feet wide and one mile long. It serves no good Federal purpose. Someone has suggested we sell it to a farmer who wants to grow spaghetti. This is only one of many odd, useless pieces of land we should dispose of.

-- We want to rid ourselves of small hard-to-manage parcels of land situated in the middle of large private land holdings -- small parcels we may be leasing out for less revenue than it costs us to process the paperwork. Where we are going to dispose of such parcels, I believe we should give adjoining or surrounding property owners a fair opportunity to acquire the land. We are aware of the concern by some ranchers, and we do not want to do anything which will create intolerable situations for you.

-- Better management of public lands also can be achieved through consolidation of scattered tracts and checkerboard lands. It is difficult for the Federal, State and private land managers to provide efficient management of such scattered land and its resources.

-- We want to provide breathing space and growing room for federally landlocked communities.

There has been some criticism of the asset management program by those who feel that we have some secret scheme going. Two points should be made here:

First, the Interior property being offered in the first round under the program is simply that property already identified under FLPMA and other appropriate Federal laws as excess. All Interior managed land in this first round already was headed for transfer or sale. And any future lands cannot be offered until after we have completed hearings and other public involvement procedures required by FLPMA. We are required to consider State and local planning, required to consult with State and local officials, required to seek public comment. It's the law!

Second, so far we have concentrated mainly on identifying those lands which will not be put up for sale. To date we have eliminated almost 400 million acres of Interior-managed lands which will be exempt. That 400 million is 13 times the size of Iowa. We will not sell any parkland, refuge land, wilderness or other conservation areas.

When we reach the point of asking "Should we consider selling this property?", then we will be seeking public involvement in the process. How can we discuss possible sales until we have possibilities to put on the table?

One thing we cannot do, however, is wait until we have completed a national inventory of every Federal acre before we move forward in this process. That would take decades, and would never be completed -- we are constantly acquiring as well as disposing of land under various laws.

If you had a pickup truck you no longer needed for your ranch, you would not just park it and forget it. You would sell it once you had identified the truck as surplus to your needs.

That's what our asset management program is all about. Identifying what we have, what we need to keep, and what we need to get rid of so that we can use our limited resources in the better management of the Federal estate. Businesses do it, ranchers do it, and we do it in the wise management of our households. Why shouldn't the Federal Government do it?

Common sense management.

We're also bringing common sense management to the grazing program.

We have made it clear that from now on, grazing Environmental Impact Statements are to be prepared as instruments of analysis. The EIS is not to be the decision document itself.

This is in line with what we have been doing throughout the Department of the Interior to streamline the EIS process so that those with the responsibility for decisions will have the information needed in a useable form. We don't believe those drawing up the EIS should be making the decisions for us. That is a perversion of the process.

The new grazing EIS process is much fairer to the rancher by providing a fairer consideration of the permittees' or lessees' preference, previous year's licensed use, or average actual use.

This does not mean that we are going to forfeit our management responsibilities for grazing on the public lands. The BLM will still develop alternatives and where appropriate we will adopt alternatives.

What we are most interested in is results.

No grazing decisions will be issued which are based on one-point-in-time inventories.

We will monitor results to see whether forage is getting better or worse and make adjustments accordingly. Adjustments also can be made by mutual agreements.

Our range management and range investment programs were shaped in consultation with the people of the West who know these resources best. A special task force of western university economists advised us on how to ensure that the public funds available for rangeland investment are used in the most efficient and cost effective manner.

Under our new grazing policy we are moving rangeland management decisions to the district and area managers closest to the resource area. These managers are required to consult with individual operators, State and local agencies and other land users and the general public.

This is in line with our Good Neighbor policy of managing public lands in consultation with the people directly affected by our management decisions and actions.

It was this Good Neighbor spirit that gave birth to our water rights policy which recognizes the States' responsibility for administering nonreserved water rights on public lands. Several months after Interior implemented the policy, the Department of Justice issued an opinion extending the States' right provision to other land management agencies.

Our Good Neighbor policy has been overwhelmingly successful here in the West. That is because westerners understand that the many important policy changes we have instituted in the past 20 months are truly conservation measures which are in the best interest of both the people and the resources of the West.

Again, common sense management.

Management of resources to provide Americans with the food and fiber we need domestically and for the exports which are important to our economy.

Management of resources to provide the energy and minerals which are the basis for an industrial society, the basis for jobs.

Management of resources to strengthen our national security so that we will not have to rely upon unstable or even hostile foreign powers for energy or strategic minerals.

Management of resources to protect the environment.

Common sense management.

Common sense re-energizing of America.

President Reagan is re-energizing America. He has moved quickly to bring economic common sense to government; to return power to the States, the government closest to the people; to reduce costly bureaucratic red tape; to unleash the creative and productive power of the private sector; to bring balance to our natural resources program.

We must keep this drive going.

We must keep it going to bring America out of its current economic slump.

And we must keep it going to meet the tremendous needs of America in the coming decade and as we enter the 21st Century.

We do not have the luxury of sitting back and waiting; we must take action now if we are to remain a free and prosperous Nation as America approaches and enters the new century.

-- By the turn of the century, there will be some 40 to 45 million more Americans than there were in 1980. That means our country is going to grow in population almost as much in two decades as it did during its entire first century.

-- Our labor force will increase by some 24 million. There will be more than twice as many American workers as at the end of World War II.

-- We will need to build some 32 million new conventional housing units to provide for young people starting families and to replace deteriorating housing.

-- U.S. energy consumption in the year 2000 is expected to be 160 quadrillion Btus, twice the 1980 consumption. Coal production should double. We will need to increase total electric generating capability by 325-thousand megawatts, an amount equivalent to the Nation's total generating capacity as of 1970.

-- Even before the turn of the century we have to make massive repairs and replacement of infrastructure. For example:

- Major repairs are needed on half of our 40-thousand mile interstate highway system and we must replace tens of thousands of miles of other State and local roadways;

- Almost one-quarter million of the Nation's highway bridges are already deficient or obsolete;

- An estimated one-half of our communities cannot expand because of water treatment systems that are at or near capacity; the aging municipal water systems in many eastern cities are in critical need of repair; hundreds or perhaps thousands of existing dams should be repaired or replaced, many here in the West, where there also is urgent need to get on with the work of reclamation.

- We desperately need to improve and expand public transit, our airports and waterways.

- In our national parks, wildlife refuges and recreation areas, we must invest billions during these two decades to make up for past neglect, to protect the resources and to make it possible to meet the demands which will be put upon these areas at the turn of the century.

One news magazine said it could cost an estimated \$3 trillion to stop the decay and repair the ruin in our infrastructure.

People who believe in the "Brown-out" theory say it will be impossible for us to meet these demands. They say government's job now is the allocation of shortages.

I don't believe that we have come to that.

You don't believe that we have come to that.

President Reagan certainly doesn't believe we have come to that.

We believe that our new economic policies will get America moving again so that we will have the private and public capacity to meet these challenges.

We believe that the same blend of human and natural resources which made America great will restore America's greatness.

In all our natural resource programs -- range management, predator control, wild horses, reclamation and on and on -- we have restored balance to Federal management of natural resources.

We have listened to those of you who speak for the users of the public lands because you represent thousands of years of sound management experience. We have listened to State leaders such as Governor List. We have listened to responsible conservation leaders -- those who truly care about resources, not those who only want to build membership rolls and organizational empires.

America was a hurting Nation when this Administration took control in January 1981. The hurt is still with us, but healing has begun.

Changes necessary to restore America to greatness are being made.

We are making these changes because people such as you demand change; because you support change; and because you know that these changes will work.

Thank you for your support and for giving me the opportunity to talk with you this morning.

September 21, 1982

marked

I want to thank Tye Moore for his introduction, and for inviting me to join this parade of government officials through your morning program.

That shows the cooperative nature of our work--yours in the livestock industry and mine in the Forest Service. I have found myself working regularly in Washington--not only with Secretary Watt and Bob Burford and their people, but also with Tye, with Ron Michieli, and with Bill Swan, Herb Metzger, Bob Wright and other leaders of the livestock industry.

We have a long and cooperative relationship--both in Washington and on the range--because livestock grazing is one of the important multiple uses of the National Forests. And because there is a strong complementary relationship between public rangelands and adjacent private rangelands which can make a whale of a difference in the profitability of a livestock enterprise.

In the long run, the basic, underlying objectives of public land managers and public land users run along the same road. We are all interested in maintaining and improving the productivity of public rangelands, because a deteriorating range is not beneficial from the standpoint of either the user or the public land manager. The question is how best to do that.

One way is together. Together, we have already made significant progress in both the science and practice of range management.

And I don't expect that this morning program will provide any quick answers to improving range productivity, except that we're here, working together to resolve some problems and consider some opportunities ahead.

That's going to become ever more important as we try for greater efficiency in our public rangeland programs. The belt-tightening that's going on throughout government has prompted a greater reliance on the Range Betterment Fund for rangeland improvements. And it appears, with grazing fees on both the National Forests and the National Grasslands expected to decrease in March, that the Range Betterment Fund will also decrease. This probably means that permittees will need to assume even greater responsibility for managing permitted livestock to meet the objectives of the allotment management plans, since fewer dollars are available for Forest Service personnel to maintain and implement plans and administer the permit.

We want to work with you to ensure that our policies and programs permit reasonable operator flexibility in rangeland improvements, and that our decisions are compatible with the reasonable and responsible practices of the livestock industry.

Forest Service land managers in the field already have a great deal of authority to make decisions which are professionally based and responsive to specific situations. We are encouraging them to work closely with livestock producers, and to be appropriately flexible in responding to the industry's total operational needs, including those on federal lands, to the extent this is compatible with long-term range stewardship responsibilities.

Our efforts in this regard have been quite successful. Our guidelines on wilderness grazing have been in effect for two years, and we are not aware of any real problems in applying them. And, as you know, we have been working closely with the Bureau of Land Management on the grazing fee review and evaluation required by the Public Rangelands Improvement Act. I have been assured that your grazing fee task force is a close cooperator in this effort.

At present, some questions are emerging in regard to our policies on ownership of base properties and ownership of livestock, and our provisions for waivers. I understand these concerns will be discussed later on at this workshop.

By and large, these policies have been developed with the help and concurrence of the livestock industry, and have generally been quite well-received. While we are willing to consider changes to make these policies more responsive to the changing structure of the industry, you need to help us make the case for this. We need a good, clear rationale for why these policies should be changed . . . as well as the support of the industry.

Department policy on range management

Many of you also know that the Department of Agriculture is reviewing and analyzing its policy on range management. A draft of this policy has been out for public comment, and it's my understanding that the comment period was extended at the request of the National Cattlemen's Association.

If you've had a chance to look at the draft policy, you know that it's broadly worded, and that its provisions are quite general. But it puts Secretary Block directly behind the Department's various range programs, and guides the Forest Service as well as other Agriculture Department agencies in carrying them out and in coordinating with the programs of other range organizations.

As it reads now, the policy has several major elements. It says:

- ¶ that we will improve and protect range ecosystems, and increase range productivity.
- ¶ that our range programs will contribute to the well-being of the people and communities which depend on rangelands for their livelihoods.
- ¶ that we will emphasize coordination and cooperation with other organizations and individuals involved with rangelands.
- ¶ that we will encourage and assist range owners, operators, and users in improving and protecting range resources.
- ¶ and that we will administer National Forest range resources cost effectively for multiple use, and to demonstrate effective range management practices.

Forest Service is not going out of the range management business

Altogether, this policy will reinforce the Forest Service commitment to its range management responsibilities. We aren't reducing or going out of the range management business at a time when we foresee growing demand for native forage.

In fact, I hope that you will begin to see Forest Service field managers in a better position to deal with the ongoing functions of range management. We are getting now to the point where the plans will be completed on each of the areas we manage, and where we can wind down those planning processes which have consumed such large amounts of time and energy among both our field personnel and users.

One of the problems we are having, however, is that an analysis of the direct costs and benefits indicates that it's not economically efficient to intensively manage for livestock grazing on some National Forest rangelands. This raises difficult questions of economic efficiency, particularly when we consider that there are many significant but indirect benefits to range management such as the stability of dependent communities, the condition of the watersheds, wildlife habitat, and the size of the local tax-base. Part of the problem of proving cost effectiveness is the fee level, though that's not the only problem.

We have always been hindered by our inability to quantify the full value of our range programs. Our efforts to justify investments in rangeland improvements often don't survive tests of economic efficiency except on the most productive rangelands if only the benefits to domestic grazing are considered.

In our 1980 RPA program planning, for example, no level of investment in range management--not even the lowest--could be proven economically efficient in this intermountain region of Utah, Nevada, and Southern Idaho when it was justified on the basis of improved livestock production alone.

But rangelands have many values--and improved rangelands yet more--and we ought to be able to quantify the full value of that improvement. When we can do that credibly, I hope we can build a better case for range investments at a time when we are competing with other programs for extremely tight budget dollars. Meanwhile, where it's cost-effective, we will continue to encourage permittee contributions for range improvement work.

We have a research effort underway in Ogden, Utah to identify the value of secondary range resources and to help us assess the full benefits of a sound range management program. We hope to have the results of this program available for use when we analyze our range programs for the Forest Service's 1985 RPA Program.

Close

Our commitment to the productivity of National Forest rangelands must never end, and never will, because they are an important resource. Important biologically . . . important economically . . . important to the livelihoods and well-being of millions of Americans.

And I have great hope by working together--as we have been and as we are today--that this range resource will continue to be productive. That it will provide operators with the forage they need. And that it can help provide food and fiber for the world.

BY THE COMPTROLLER GENERAL

Report To The Congress

OF THE UNITED STATES

Public Rangeland Improvement-- A Slow, Costly Process In Need Of Alternate Funding

Assessments by the Department of the Interior's Bureau of Land Management indicate that most of the public rangelands it manages are in an unsatisfactory condition and are producing less than their potential. Although the Bureau has made some progress in improving range conditions, it lacks consistent data showing the overall effects of its management actions.

Since 1975 the Bureau has been preparing site-specific environmental impact statements and land use plans which have identified needed range improvements. There is a backlog of \$34.7 million in range improvement projects, and the cost of additional needed projects is estimated to be over \$148 million. Reduced grazing fees and budget cuts, together with rising costs due to inflation, will make it difficult for the Bureau to meet the Congress' goal of making the rangelands as productive as feasible before the beginning of the next century.

GAO recommends alternative ways the Bureau could make range improvements. The Congress should assess three alternative funding sources for range improvements.



GAO/RCED-83-23
OCTOBER 14, 1982

D I G E S T

Since July 1977, when GAO issued a report entitled "Public Rangelands Continue To Deteriorate" (CED-77-88), the Department of the Interior's Bureau of Land Management has made some progress in meeting the congressional mandate of improving the unsatisfactory conditions of the 170 million acres of public rangelands in 16 Western States. But progress is slow and costly. GAO made this review to determine the status of, and progress being made under, the Bureau's programs for managing and protecting these rangelands.

RANGELAND LEGISLATION AND USE

Federal rangelands, once considered to be excess wastelands, provide habitat for countless millions of animals, birds, fish, and other wildlife. They are also extremely valuable for livestock grazing, cultural resources, recreation, and minerals.

Several laws affect how the lands are managed. The main ones are the 1934 Taylor Grazing Act, the Federal Land Policy and Management Act of 1976, and the Public Rangelands Improvement Act of 1978. The 1934 act--the first major effort to control grazing on the public domain--was enacted as a result of the damage that unregulated domestic livestock grazing had caused. The 1976 and 1978 acts established a national commitment to maintain the rangelands, improve their condition, and make them as productive as feasible for all rangeland values.

The Bureau has issued over 20,000 grazing permits or leases to about 20,000 individuals and corporations to use these lands. Permittees with allotments range from large operators with thousands of cattle or sheep to some with a few animals. About 5.6 million cattle, sheep, and horses, including about 4 percent of the Nation's beef cattle and 28 percent of its sheep, depend on the rangelands for all or part of their yearly forage requirement. (See pp. 1 to 6.)

BETTER RANGE CONDITION DATA
NEEDED FOR MANAGEMENT DECISIONS

Because the Bureau has used different methods over the years to assess range conditions, the assessments' results cannot be directly compared to show the overall effects of the Bureau's management actions. Nevertheless, the assessments indicate that most of the rangelands are in an unsatisfactory condition and producing less than their potential. (See pp. 10 to 13.)

As required by the 1976 and 1978 acts, the Bureau has been inventorying resources and developing district monitoring systems to obtain data on range conditions and trends. This data is needed to provide information to the Congress and the public on the results and effectiveness of Bureau actions to achieve such management objectives as producing desirable forage for livestock grazing and providing suitable wildlife habitat.

The Bureau's current method of determining and classifying range conditions--comparing a site's existing vegetation with what is believed to be its potential vegetation in a natural state--is not directly related to management objectives, such as producing livestock forage. Consequently, it has little value for determining whether the Bureau has been effective in achieving its management objectives. (See pp. 13 to 15.)

Further, because the Bureau has allowed its field offices considerable flexibility in developing individual district monitoring systems, its field offices are using different methods for gathering rangeland trend and forage consumption data. GAO believes more consistency in data gathering is needed among districts with the same rangeland types and with similar resource conditions and problems. This would help assure that Bureau grazing decisions will result in consistent and equitable treatment of permittees and comparable data will be obtained for the Bureau's reports to the Congress and the public. (See pp. 15 to 18.)

Recommendation

To collect and provide more useful data on range conditions and trends, the Secretary of the Interior should direct the Bureau to:

- Develop an additional assessment method that will classify rangeland conditions in relation to management objectives.
- Require Bureau State offices, to the extent possible, to obtain consistent rangeland data to be used for (1) determining whether management objectives, such as bringing grazing use in line with grazing capacity, are being met and (2) reporting to the Congress and the public on the rangelands' overall condition. (See p. 19.)

Agency comments and GAO evaluation

Both Interior and the Department of Agriculture, which also manages grazing land, said that a new grazing monitoring concept, resource value rating, will enable them to classify range conditions in relation to management objectives and will be used in reports to the Congress and the public on overall rangeland condition. GAO agrees that this method, if properly developed and implemented, would respond to its recommendation.

Interior said that its policy provides for gathering data that is consistent in the sense that it is gathered at prescribed intervals but that the policy allows field offices to employ different study methods to collect it. Because each study method yields data of varying statistical reliability, GAO believes that consistent methods should be used on similar types of rangeland. (See pp. 19 and 20.)

ADDITIONAL OR ALTERNATIVE FUNDS NEEDED TO MAKE MORE TIMELY RANGE IMPROVEMENTS

In the mid-1960's the Bureau began an intensive grazing management program to improve the rangelands. A 1975 U.S. district court order, however, delayed development and implementation of range management plans until 144 site-specific environmental impact statements could be completed. As of May 1, 1982, 50 impact statements had been completed. The other 94 are to be completed by 1988.

The 1976 and 1978 acts required the Bureau to develop generalized land use plans and make periodic inventories of range conditions and trends.

Although the Bureau has concentrated its efforts since 1975 on developing environmental impact statements and land use plans and on inventorying resources, it installed \$22 million worth of improvements from 1978 through 1981. About 84 percent of these funds went for water facilities and fences.

However, the decreasing availability of improvement funds caused by budget cuts and declining grazing fees, coupled with the increasing cost of range improvements, can be expected to further delay the Bureau's progress in improving range conditions and productivity once the range management plans are completed. At the 1981 funding level (\$8 million), it could take the Bureau over 20 years to install an estimated \$183 million in needed range improvement projects. (See pp. 21 to 30.)

An accelerated range improvement program would result in less overall capital costs, assuming continuation of inflation, and make the rangelands more productive sooner, which would benefit range users like permittees, recreationists, and wildlife. To more fully accelerate the improvement program, alternative sources of funds for improvement projects would be required. (See pp. 30 to 39.)

Recommendations

The Secretary of the Interior should:

- Test and evaluate the feasibility of expanding the Experimental Stewardship Program authorized by the 1978 act, which allows permittees to receive up to a 50-percent credit of their annual grazing fees for making range improvements.
- Provide those incentives which the Department determines to be needed to encourage permittees to make range improvements. This could include such things as providing investment protection and identifying and removing undue administrative constraints that may discourage private investments. (See p. 44.)

Agency comments and GAO evaluation

Both Interior and Agriculture stated that it would not be appropriate to expand the Experimental Stewardship Program's fee incentive segment because

they did not want to separate this segment from the overall experimental program.

During the last 4 years, little progress has been made to test the program's fee incentive segment. In response to a GAO questionnaire, 83 percent of the large and 61 percent of the small permittees indicated that they would be willing to make improvements if they received a fee credit. GAO therefore believes that the Bureau should take action to test the feasibility of expanding the program's fee incentive segment to provide timely range improvements, especially since other funding sources are declining. (See pp. 41 and 42.)

MATTERS FOR CONSIDERATION BY THE CONGRESS

In a draft of this report, GAO proposed that the Secretary of the Interior determine the feasibility of requesting congressional action on three alternative sources for funding an accelerated range improvement program. Interior does not believe these alternatives are viable at this time. (See pp. 42 and 43.) If the Congress still wants to achieve the national commitment to make rangelands as productive as feasible and do it at an accelerated rate, it should assess alternative funding sources, such as:

- Amending the 1978 act to provide an interim increase in grazing fees, provided the funds are used to make range improvements where they are collected.
- Appropriating special funds already authorized by the 1978 act for range improvements.
- Amending the 1976 act to allow the Bureau to use a higher percentage or amount of grazing fees for making improvements. Currently authorized is the greater of 50 percent or \$10 million.

The latter two alternatives would result in increased Federal funding or decreased revenue and may not be practicable at this time in view of the Congress' and the administration's current efforts to control Federal spending. (See p. 44.)

CHAPTER 3

MAKING RANGE IMPROVEMENTS--A

COSTLY AND TIME-CONSUMING TASK

The Public Rangelands Improvement Act of 1978 sets forth a national commitment to maintain and improve the condition of public rangelands and to make them as productive as feasible for all rangeland values. The Bureau has made some progress toward achieving PRIA's objectives by establishing grazing systems and by making \$22 million in improvements since PRIA's enactment.

Since the mid-1970's the Bureau has been developing generalized land use plans for its rangelands as called for by the Federal Land Policy and Management Act of 1976. Also, since 1975 the Bureau has been preparing site-specific EIS's for 144 resource areas, which evaluate the environmental impacts of alternative uses of the range. The Bureau plans, after completing the statements, to develop allotment management plans, which identify the grazing systems to be used and site-specific land management objectives. As of May 1, 1982, 50 EIS's (34 percent) had been completed; the remainder are to be completed by 1988. As the EIS's and subsequent allotment management plans are completed, the demand for funds for range improvements can be expected to accelerate.

In fiscal year 1982 the Bureau had an estimated \$34.7 million backlog in range improvement projects. The Bureau also estimated that it would need an additional \$148 million or more for range improvement projects to achieve PRIA's objectives. If yearly expenditures for range improvements continue at the 1981 level of \$8 million, it would take the Bureau over 20 years to fund the range improvements necessary to make the rangelands as productive as feasible. An accelerated range improvement program would result in less overall capital costs, assuming continuation of inflation, and make rangelands more productive sooner, which would benefit permittees, recreationists, and wildlife. To make the rangelands more productive sooner, alternative sources of funds for improvement projects would be required. We identified the following four alternatives:

- Test and evaluate the feasibility of expanding the use of a PRIA provision that allows permittees to receive a credit on grazing fees for making range improvements.
- Request the Congress to amend PRIA to increase grazing fees for making range improvements.
- Request the special funding that PRIA authorizes for range improvements.

- Request the Congress to amend FLPMA to allow a higher percentage or amount of grazing fees to be used for making improvements.

The latter two alternatives would result in increased Federal funding or decreased revenue and may not be practicable at this time in view of the Congress' and the administration's current efforts to control Federal spending.

The Deputy Assistant Secretary for Land and Water Resources told us that Interior is considering another alternative--providing incentives to permittees to make range improvements. These incentives could include

- providing investment protection through either cooperative agreements or a rangeland improvement permit;
- assigning higher implementation priority to these projects when determining a schedule for implementing rangeland improvements of equal economic return;
- allocating resultant forage increases to permittees in proportion to their contributions;
- recommending that district offices, in consultation with grazing advisory boards, consider setting aside range betterment funds to be used to match investments;
- planning appropriate Bureau staff assistance and involvement in district office annual work plans to implement these projects; and
- identifying and removing undue administrative constraints that may discourage private investments.

IMPROVING PUBLIC RANGELANDS IS A LONG-TERM PROCESS AND IS COSTLY

During the last 30 years, the Bureau has spent an estimated \$100 million for range improvements; \$22 million has been spent since PRIA's enactment. In response to our questionnaire, 70 percent of the large permittees and 32 percent of the small permittees reported that the Bureau had made improvements on their allotments since 1965. This was about the time the Bureau began an intensive grazing management program to improve the rangelands.

The Bureau is preparing 144 site-specific EIS's and developing allotment management plans. This process is at a point where the Bureau is identifying projects for improving rangelands in the 50 areas with completed EIS's. The Bureau had a \$34.7 million backlog of range improvement projects in fiscal year 1982 and estimates

that an additional \$148 million or more will be needed to make range improvements that will be identified as more EIS's and subsequent allotment management plans are completed. Permittees responding to our questionnaire also identified many improvements needed on their allotments. At the 1981 level of funds spent for on-the-ground improvements (\$8 million), it could take the Bureau well into the next century to improve rangelands to the point where they are as productive as feasible.

Range conditions can be improved

According to various studies and reports, potential exists to improve the rangelands' conditions and productivity. Restoring the public rangelands depends heavily on the regeneration of desirable vegetation. Plants need to store food during their growing season to provide for nourishment during dormant periods and for growth at the start of the new growing season. If a plant is rested periodically, it can withstand grazing. However, if a plant is not rested, its food reserves become depleted and it ultimately dies. When a plant dies, its place may be taken by less desirable plants or--even worse--its loss could allow erosion to destroy the land resource and the watershed.

Improving the public rangelands' condition often involves a mix of adjustments in grazing management with investments in improvements. The Bureau has reduced some grazing privileges, obtained a better understanding of the scientific aspects of plant growth, implemented management systems, and constructed or provided range improvements. These actions have led to some improvements in range conditions for both livestock and other multiple-use interests. The following are examples of improved conditions in the resource areas we visited:

- An allotment in the Powder River Resource Area (Montana) had a rest-rotation grazing system implemented in 1974. Four years later increased vegetation and ground cover was found on a site that was previously considered deteriorated. The additional available forage also helped increase the wildlife population. Three years after the system was implemented, the elk population had increased from 20 to over 150.
- An allotment in the Drewsey Resource Area (Oregon) had a two-pasture rest-rotation grazing system implemented in 1977. This system had improved plant health and lessened conflict with recreational users along a reservoir. A 1981 survey showed that forage capacity had increased by over 1,600 AUM's since the new system was installed.
- An allotment in the Rio Puerco Resource Area (New Mexico) had a three-pasture rest-rotation grazing system implemented in 1975. A 1981 survey found that 41 percent of the allotment had improved from fair to good condition.

the ground, such as contracting, typing, filing, and environmental analysis, will be borne by the grazing management program or other appropriate resource programs.

The Bureau's selective management policy (see p. 25) provides for varying the degree of management an allotment will receive based on its potential for improved condition and productivity. Specific criteria for determining the degree of management required are to be developed at the district level, approved by the State director, and made available to the public before analysis begins. Allotments selected for the improvement management category will have greater access to range improvement funds.

ALTERNATIVE FUNDING SOURCES

Bureau officials estimate that \$183 million or more will be needed for range improvement projects to achieve PRIA's objective of improving the public rangelands' condition and making them as productive as feasible. PRIA authorized special appropriations totaling at least \$360 million for fiscal years 1980-99 in addition to regular appropriations. As EIS's and subsequent allotment management plans are completed, the funding demands for range improvements will accelerate. At the 1981 expenditure level for improvements (\$8 million), it could be well into the next century before the Bureau achieves PRIA's objectives. To make the rangelands more productive sooner, alternative sources of funds for improvement projects would be required. Some of the alternatives are discussed below.

Expand use of an experimental reduced fee incentive

Expanding the use of PRIA's provision that authorizes permittees in the Experimental Stewardship Program to pay up to 50 percent of their grazing fees in the form of range improvement work would be one alternative for providing additional funds for range improvements. Our questionnaire results indicated that 61 percent of the small and 82 percent of the large permittees would make range improvement investments if they received a 50-percent credit against their grazing fees.

Section 12 of PRIA directs the Secretaries of the Interior and Agriculture to establish in areas they select an experimental program which provides incentives to, or rewards for, permittees whose stewardship results in improved range conditions. The program is to explore innovative grazing management policies and systems which might provide incentives that include but are not limited to

--cooperative range management projects designed to foster a greater degree of cooperation and coordination between

Federal and State agencies charged with managing the range-lands and with local private range users,

--the payment of up to 50 percent of a permittee's grazing fee in the form of range improvement work, and

--other incentives as deemed appropriate.

The Secretaries were directed to report to the Congress the results of this program no later than December 31, 1985.

In November 1979 the Bureau, in cooperation with the Forest Service, designated three areas as joint stewardship areas--Challis in Idaho, East Pioneer in Montana, and Modoc/Washoe in California. The Bureau also established stewardship programs with one permittee in each of five resource areas in New Mexico.

We visited the three designated joint stewardship areas, but as of August 1982 none had implemented the grazing fee incentive.

In response to permittee requests from the Modoc/Washoe stewardship area to implement the reduced fee incentive, the Bureau Director issued implementing guidelines in March 1982. Also in March 1982, the Bureau Director issued a memorandum which stated that the Modoc/Washoe was the only joint stewardship area authorized to test the reduced fee incentive. The approach and procedures to implement this incentive are being developed by the Modoc/Washoe Stewardship Committee which hopes to start testing the reduced fee incentive in 1983.

The Bureau's Deputy Director of Land and Renewable Resources attributed the delay in implementing the program to a concern that it might be abused. This concern developed when some permittees proposed that credit be granted for forage used for wildlife, including horses and burros, and that credit also be given for improvements made in the past. The Bureau has approved the experimental program in the Modoc/Washoe area to develop guidelines and controls.

Although none of the joint stewardship areas had implemented the reduced fee incentive, the five resource areas in New Mexico had begun a stewardship program with one permittee each. Four of these permittees were authorized to apply for the 50-percent credit if they make range improvements while the fifth permittee was not. The Chief, Branch of Biological Resources, in the Bureau's New Mexico office told us that three permittees had made improvements during 1982 and that one had received a credit in 1982. The other two will receive a credit against their 1983 grazing fee.

The Bureau believes that testing the reduced fee incentive in one joint stewardship area and with four permittees in New Mexico will provide an adequate sample for it to report to the Congress.

The permittees responding to our questionnaire strongly supported the idea of providing their own improvements if they received a 50-percent credit against their grazing fee. Our questionnaire results indicated that 61 percent of the small and 82 percent of the large permittees said they would be willing to make needed improvements if provided a grazing fee credit. Examples of the permittees' comments follow:

- We have in the present law rules that provide a very good way to return part of the fee to the land, and we should implement this option. Each operator should have his fair share back to invest in his allotment. If given an incentive, we would invest in the land.
- The fees should be kept low so the rancher can improve the ranch himself. This way it costs the Government nothing and the rancher can put the same improvements on the ranch for about half of what it costs the Government.
- We have made over \$500,000 of improvements. We do not need the Bureau to make improvements.
- The Bureau will not allow us to make improvements with our own money or Federal funds.
- Grazing fees should not be increased; rather operators should be encouraged to invest private capital in improvements.
- If the Bureau would permit the operator to make the improvements and deduct it from fees, he would be willing to make needed improvements. The operator can make improvements much cheaper than the Bureau can. Most operators would invest if they could be assured of the benefits. Many promises have been made by Bureau personnel which have not been kept--especially by the past two administrations. I do not think the blame is local but came from the top. I know my range can be greatly improved and will gladly help do it if some stability can be developed in the Bureau.

If permittees receive fee reductions in return for range improvement work, grazing receipts deposited to the U.S. Treasury and distributed to the States could be reduced. However, permittees may be able to make improvements faster and at less cost than the Government, which could lower the total investment needed to install range improvements.

Request funds for an accelerated
range improvement program

A second alternative for providing additional range improvement funds would be to accelerate the funding authorized by PRIA. Section 5 of PRIA authorizes the appropriation of at least \$15 million annually for fiscal years 1980-86 and \$20 million